

MAR 10 2015

SENATE RESOLUTION

URGING THE HONOLULU AUTHORITY FOR RAPID TRANSPORTATION TO
IDENTIFY AND IMPLEMENT COST CUTTING PRACTICES.

1 WHEREAS, the Honolulu rail project is budgeted at
2 \$5,200,000,000; and
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4 WHEREAS, the Honolulu Authority for Rapid Transportation
5 has incurred a budget shortfall of up to \$900,000,000 on the
6 Honolulu rail project; and
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8 WHEREAS, the Mayor of the City and County of Honolulu and
9 Executive Director and Chief Executive Officer of the Honolulu
10 Authority for Rapid Transportation have requested the State to
11 permanently extend the City and County of Honolulu's 0.5 percent
12 surcharge on the state general excise tax; and
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14 WHEREAS, the Honolulu Authority for Rapid Transportation
15 has not exerted its best efforts to contain costs on the
16 Honolulu rail project; and
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18 WHEREAS, the Project Management Oversight Contractor's
19 monthly report for December 2014 emphasized that the Honolulu
20 rail project's contingency allowance was insufficient, that the
21 Honolulu Authority for Rapid Transportation was assessing
22 contract strategy and implementing primary risk mitigation
23 measures, and that the Honolulu Authority for Rapid
24 Transportation must review secondary mitigation measures and
25 consider implementation of any valid measures to help reduce
26 pressures on the project budget; now, therefore,
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28 BE IT RESOLVED by the Senate of the Twenty-eighth
29 Legislature of the State of Hawaii, Regular Session of 2015,
30 that the Honolulu Authority for Rapid Transportation is urged to
31 identify and implement cost cutting practices to include but not
32 be limited to:
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- 34 (1) Freezing all travel for Honolulu Authority for Rapid
35 Transportation board members and staff; provided that



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travel related to Federal Transit Administration activity shall be permitted;

(2) Freezing pay raises for all Honolulu Authority for Rapid Transportation staff, including the Executive Director and Chief Executive Officer; and

(3) Freezing all bonuses paid to Honolulu Authority for Rapid Transportation staff, including the Executive Director and Chief Executive Officer; and

BE IT FURTHER RESOLVED that the Honolulu Authority for Rapid Transportation is requested to provide a report to the Legislature regarding its plan to implement internal cost cutting measures no later than ninety days prior to the convening of the Regular Session of 2016; and

BE IT FURTHER RESOLVED that the Auditor is requested to conduct an audit of the Honolulu Authority for Rapid Transportation every three years; and

BE IT FURTHER RESOLVED that certified copies of this Resolution be transmitted to the Governor, Mayor of the City and County of Honolulu, Chairperson of the Honolulu City Council, and Executive Director and Chief Executive Officer of the Honolulu Authority for Rapid Transportation.

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